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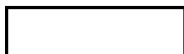
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Latin America

REGIONAL AND POLITICAL ANALYSIS

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State Dept. review completed

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LATIN AMERICA

14 July 1977

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This publication is prepared for regional specialists in the Washington community by the Latin America Division, Office of Regional and Political Analysis, with occasional contributions from other offices within the Directorate of Intelligence and from other agencies within the Intelligence Community. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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Guatemala-UK-Belize: Crisis Forestalled

2 The decision by the UK to reinforce its defenses in Belize last week capped a series of events that brought the long-festering issue of Guatemala's claim on Belize closer to open hostilities than at any time in the past two years. The military buildup came as British and Guatemalan negotiators met in Washington to seek an arrangement that would give Belize full independence from the UK while at the same time assuring some compensation for Guatemala. By week's end, military tensions began to ease and the Washington negotiators agreed to continue to pursue a settlement, suggesting that the two days of talks had brought about some meeting of the minds on the emotional question of a territorial cession to Guatemala.

2 3 Even before the talks began in Washington on July 6, the British had decided to reinforce the Belize garrison in anticipation of a military move by Guatemala, should the negotiations founder. Reinforcements, which began to arrive as the talks got under way, included a British frigate, 6 Harrier VTOL jet fighters, a good deal of equipment and munitions, and a large number of troops. The volume of air transport from the UK to Belize suggests that London could have introduced about 1,000 to 1,500 troops, effectively doubling the Belize garrison.

2 The Guatemalans were immediately aware of the British move, though their estimates of the extent of the buildup were exaggerated. At first, President Laugerud accused the British of provocation, suggesting they were trying to intimidate Guatemala at the talks.

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In the charged atmosphere that developed, there were widespread reports that Guatemala was rushing troops to the border and that many border residents were fleeing in expectation of war. The US embassy in Guatemala relayed to Laugerud British assurances that the reinforcement was merely defensive and in response to Guatemalan military exercises in late June, the call-up of reserves, and belligerent public statements by the government. In Washington and Guatemala, US representatives urged Guatemala to show restraint, though there was concern that US credibility might have suffered when British aircraft bringing troops and equipment refueled at US facilities in Bermuda.

2
4
All evidence indicates that President Laugerud showed great restraint in keeping his more aggressive army colleagues under leash. He apparently did not send any new troops to the border area, but instead ordered all troops, except two platoons normally stationed at border outposts, to pull back 8 kilometers. While Guatemalan air force units were placed on alert, no sorties were flown.

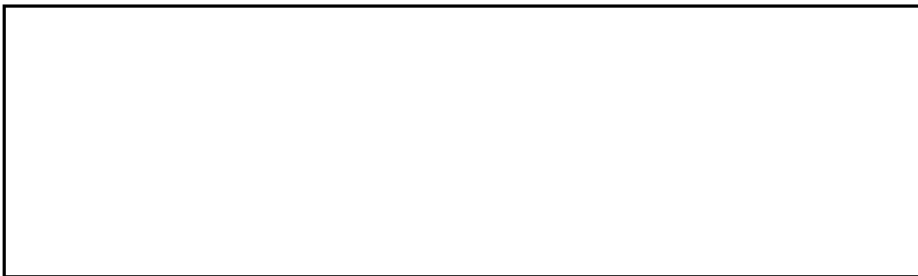
5
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7
A joint communique issued by the negotiators in Washington on July 7 signaled an amicable conclusion to the talks, and strains in Guatemala and Belize eased rapidly. Both sides agreed to study proposals and work to reduce tensions. The British assured that there would be no sudden move to grant Belize independence, which the Guatemalan media billed as a triumph for their cause. Finally, chief British negotiator Rowlands agreed to visit Guatemala, perhaps as early as next week, to discuss the next stage of negotiations.

1
2
While the results of the talks have not been released, the pending visit by Rowlands, the reduced tensions, and Guatemala's public acknowledgment that it might accept a territorial compromise all suggest that the Washington talks may have achieved a breakthrough on the question of Belize ceding land in exchange for Guatemala's acceptance of independence. Before this could succeed, however, the UK would have to overcome expected opposition from Belizean Premier Price. Another sticking point could be Guatemala's public insistence on withdrawal of the British reinforcements.

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2 Barring a border incident, the military situation will probably remain calm, at least until after Rowland's visit. The bolstered British defenses are in effective deterrent to potential Guatemalan aggression, and the UK has allayed the major Guatemalan concern of a sudden, unilateral grant of independence. If the two parties are making progress on a settlement, or even if they simply agree to hold another negotiating round, the military confrontation should continue to subside. But if an impasse arises over terms of a settlement or the withdrawal of British reinforcements, tensions could quickly escalate.



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Chile: Return to Civilian Rule

147 Chilean President Pinochet's announced plans to return the country to civilian rule by 1985 represents a significant policy departure. His blueprint for a return to "normality," the delivery to Washington of an advance text of his speech of last Saturday, and recent reports that he is considering restricting the power of the notorious National Intelligence Directorate (DINA), all suggest that Pinochet has finally become convinced that draconian measures are no longer necessary in Chile and that it is time for a new image.



President Pinochet

1 Pinochet's suggested schedule for a return to civilian rule culminates in limited popular elections in 1985. These elections would choose two-thirds of the delegates to a legislative assembly that would then appoint a new president. Prior to this, the junta in 1980 will name the members of a single legislative chamber that will rule jointly with the armed forces for four or five years.

17 Pinochet warned that the entire plan depends on continued signs of "recuperation" from the Allende years. If the announced time frame is followed, Chile will be on a similar but slower schedule of the constitutional changes announced by the military governments of Bolivia and Peru.

23 The reasons for Pinochet's surprise announcement are obscure, but he has been under considerable pressure from the military and the government establishment to do something about Chile's human rights image and begin some process toward returning to political normality.

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Complaints by members of the junta and the military services about the poor human rights image and DINA's excessive power have increased in recent months. Many senior officers reportedly have told Pinochet that subversion is under control, the state of siege should be lifted, and DINA's arrest power should be terminated.

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1, 7

Pinochet, undoubtedly reflecting his aversion to the chaos of the Allende years, has been dragging his feet on the DINA issue. He probably believes that it is premature to curtail DINA or to return the country to civilian rule before 1985. Characteristically, he lashed out during his speech against foreign intervention in Chilean affairs under the guise of defending human rights.

1, 7

Pressure from his colleagues in recent months has made Pinochet's stance increasingly unsupportable. The fact that political normalization will be supervised closely by the armed forces probably increased his willingness to make the election announcement. In addition, internal security is well in hand and the country is on the road to economic recovery. An added inducement, of course, is the announcement's expected beneficial effects on the government's popular support and its human rights image.

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78 Very little in the present operation of the government will actually change, at least for the present. It is always possible that Pinochet will backslide on re-forming DINA or ending the state of siege. The fact is, however, that there is now an announced specific plan to return the civilians to a political role and the military to the barracks.

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Peru: Leaders Divided Over Economic Policy

3 A continuing dispute among Peru's military rulers over economic policy, which led to the resignation of Finance Minister Piazza last week, now poses a political threat to President Morales Bermudez. The President must persuade his cabinet to accept austerity measures that the International Monetary Fund requires for balance-of-payments loans that Peru sorely needs. Should his efforts at personal lobbying fail, Morales Bermudez could either resign or be ousted in favor of someone more acceptable to the country's economic hardliners.

3 The departure of Piazza--one of only two civilians in the cabinet and the second finance minister to resign in eight weeks--was prompted by persistent opposition in the cabinet to a new austerity program, promulgated on June 10, to satisfy IMF demands. His resignation was followed by those of top officials of the central bank, who had been the chief negotiators with the IMF.

2 4 A government announcement on July 12 that new economic and financial guidelines would be set forth in 10 days may indicate that pressure from cabinet dissidents led by the industry minister, General Ibanez O'Brien, will bring about key changes in the economic program. Continuing protest demonstrations over price increases in Peru's major cities, six of which have now been placed under curfew, lend support to the demands of the Ibanez O'Brien group.

4 Although the cabinet dissenters objected most strongly to cuts in the military budget, they also reportedly proposed to relax restrictions on other public expenditures and to resort to other inflationary measures to stimulate economic growth. Such changes are unlikely to receive a favorable hearing from the IMF, and further talks will be complicated by the presence of a new and inexperienced Peruvian negotiating team.

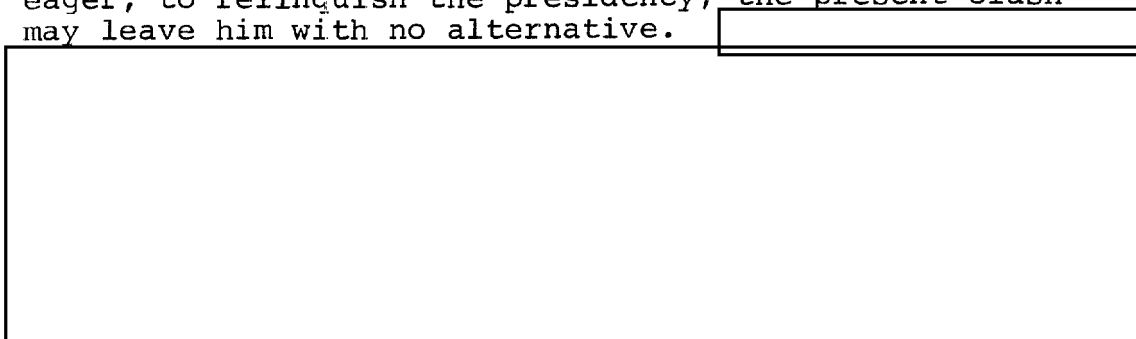
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Morales Bermudez' chances of success in this effort, as well as his personal prestige, have been badly weakened by the resignations of two successive finance ministers and the central bank officials, all of whom strongly supported his economic policies. He faces formidable opposition in the cabinet, where there are rumblings of discontent over his leadership. He has indicated in the past that he is willing, and perhaps even eager, to relinquish the presidency; the present clash may leave him with no alternative.

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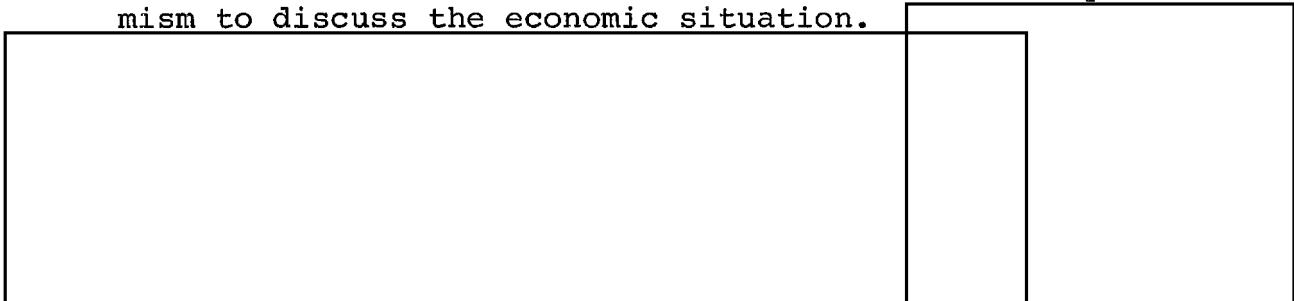
Jamaica: Impact of Economic Crisis

3, 4 Jamaica is increasingly feeling the impact of its economic crisis. Incipient food shortages have already led to one near riot, labor unrest temporarily shut down the country's only oil refinery, and violence is spiraling in response to growing unemployment only a month after the government lifted the state of emergency.

2, 3 Jamaican officials reached a tentative agreement with the International Monetary Fund earlier this month concerning a reported \$35-million loan this year. If approved--as appears likely--this loan will give the government of Prime Minister Manley a psychological boost, but will go only part way toward meeting the island's immediate cash needs. Venezuela apparently has also offered up to \$20 million in balance-of-payments support this year.

3 Kingston has been under pressure from the IMF to cut the level of government spending, modify the exchange rate system, and implement a stringent wage and incomes policy. The Manley government will be hard pressed to satisfy such conditions. The two major labor unions have already begun to press for higher wages to offset increases in the cost of living and rising inflation.

The ruling People's National Party's national executive council met in late June in a mood of somber pessimism to discuss the economic situation.



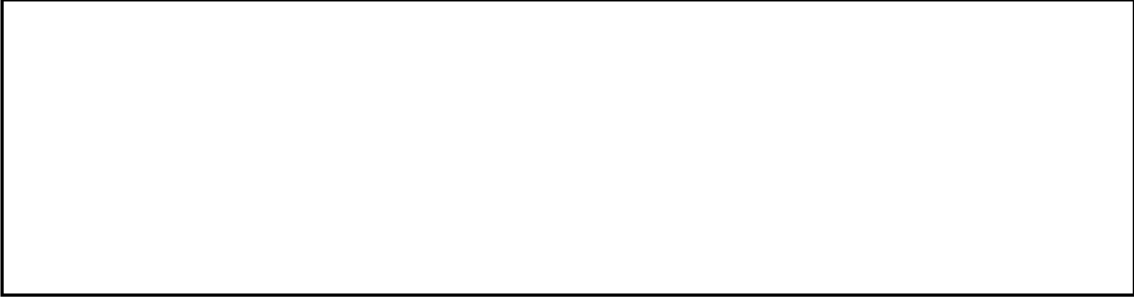
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1, 2 Ruling party radicals generally maintained a low profile at the council meeting, but they are waiting in the

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wings ready to blame Manley's moderate advisers for the state of the economy.

The most prominent radical, D. K. Duncan, who serves as minister of national mobilization and party secretary general, has been carefully strengthening his ties with local party leaders in hopes of tipping the balance against the predominantly moderate parliamentary wing of the party at the party conference in September.



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Brazil: Reactive Politics

1, 2, 4
Brazilian President Geisel is continuing to take a hard line with civilian critics of his administration. Since he stripped the opposition party of most of its influence last April, Geisel has suspended the political rights of two opposition party politicians, including the leader of the Chamber of Deputies for 10 years. Geisel's recourse to these harsh measures reinforces an already widespread belief among political observers that he is increasingly unsure of his objectives and overly sensitive to criticism.

In mid-June, he removed a minor opposition figure from office for having quoted an illegal communist newspaper in a congressional speech. While it is a basic tenet of the "Brazilian Revolution" that the communists shall not exercise any role, even indirectly, in Brazilian politics,

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ian security officials were pressing Geisel to take punitive action. If true, such efforts could have persuaded the President to act, especially since his popularity is waning and he wants to control the choice of his successor--which must be decided by the military high command within the next year.

2, 4
Geisel's latest move against his opponents came after opposition leader Alencar Furtado and two of his colleagues criticized the government on nationwide television. As is customary, Geisel gave no explanation for singling out Furtado, but it is obvious that his criticism--which strongly condemned the government's arbitrary use of power and its record on human rights--struck raw nerves.

3, 4
The opposition has not formally elected a successor to Furtado because the Congress is now in recess. The probable choice, however, Freitas Nobre, has already told US embassy officials that, if chosen, he intends to lower

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the volume of political rhetoric, but to continue on a firm ideological course against the government. Freitas Nobre may be overly optimistic about the influence he will be able to exert--given the severe setbacks the opposition has received--but he is known to be a man of principle and a skillful tactician and could be a difficult figure for the government to control or censure.

31/ Most Brazilian politicians, however, seem resigned to the belief that the Geisel administration will continue to move to the right. There are still a few effective voices within the opposition, but they may well be silenced if they overstep the regime's limits, which are becoming less distinct.

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Argentina: Improved Foreign Financial Situation

1,2 The military junta that took over last year has brought Argentina back from the brink of international bankruptcy to a state of comfortable solvency. International obligations are being met, and reserves have reached an all-time high. The government must now induce industry to exploit the favorable foreign balance by importing more of the materials needed for raising domestic production. Economic prospects for the remainder of 1977 are good even though the government still faces serious domestic problems--inflation, a large budget deficit, and lagging industrial production. Its handling of these problems over the next year or so will help determine whether it remains in power long enough to consolidate its gains.

Inherited Problems

1,2 When the military ousted the Peronist government in March 1976, the economy was approaching disaster. The trade balance had registered \$0.5 billion deficit in 1975--compared with a \$1.3 billion surplus two years earlier, when a good grain harvest boosted exports, and an \$800 million surplus in 1974. The 1975 drop resulted from a poor grain harvest, the loss of EC markets for meat, and an unrealistic exchange rate that made Argentine manufactures uncompetitive while encouraging importers to buy heavily abroad in anticipation of a major devaluation. Although the higher cost of oil imports also contributed to the trade deficit, oil costs are less significant for Argentina than for most oil-importing countries because domestic oil production covers 85 to 90 percent of requirements. In addition, poor debt planning had allowed a concentration of foreign debt payments to build up in 1976. Reserves were near the vanishing point.

1,2 Domestic production was stagnant. Government policies had discouraged agricultural output, while manufacturers found themselves in a profit squeeze between rising costs and regulated prices. Inflation was spiraling upward so rapidly that, if left unchecked, the 1976 rate

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would have approached 1,000 percent. With a bloated bureaucracy and an inadequate revenue structure, the government deficit was rising rapidly, and the regime was increasingly covering expenditures by issuing more currency. For their part, workers were demanding and getting sizable wage increases in an effort to offset rising prices. Argentina's foreign credit rating was poor, and the Peronist government had not yet lined up funds to cover its foreign financial gap.* This gap had widened from a \$0.5 billion in 1974 to \$2 billion in 1975.

Argentina: Foreign Financial Gap

	1973	1974	1975	1976 ¹	1977 ²
	Million US \$				
Exports, f.o.b.	3,266	3,931	2,961	3,895	4,500
Imports, f.o.b.	1,983	3,160	3,431	2,652	3,500
Net services and transfers	-563	-644	-815	-632	-790
Current account balance	720	127	-1,285	611	210
Debt amortization	-573	-600	-800	-1,000	-1,000
Financial gap	147	-473	-2,085	-389	-790
Medium- and long-term capital inflows	594	723	NA	1,300	NA
Net short-term capital inflows	180	-301	NA	290	NA
Change in reserves	921	-51	-791	1,201	-300
External debt, yearend	4,672	4,873	4,695	5,189	4,679
	Percent				
Debt service ratio	20	17	30	29	25

¹ Preliminary.

² Projected.

*Financial gap is defined as the current account deficit plus amortization of medium- and long-term debt; shifts in short-term capital are not included.

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1976--The Bail Out

1, 2 The new junta immediately focused on the need to stimulate exports, with emphasis on agricultural products. It reversed the previous policy of keeping agricultural prices low to benefit urban workers. Sharply increased prices for farm products, improved availability of credits, and abolition of the marketing monopoly of the state grain board led to a 10 percent increase in grain areas planted. Favorable weather during the growing and harvesting seasons then contributed to a bumper crop. Although world wheat prices dropped, aggressive marketing by private Argentine grain sales agencies--pushed by a shortage of facilities to store the record crop--accounted for a large share of the \$900 million increase in total exports in 1976. This trend continued into 1977, when the remainder of the harvest was marketed.

1, 2 Meat exports nearly doubled in 1976 compared with the depressed 1975 level, aided by more realistic exchange rates. With continual "microdevaluations" of the peso to offset inflation and the gradual elimination of the dual exchange rate, the government also succeeded in stimulating exports of nontraditional products by the end of the year. Imports dropped 23 percent in 1976 as inventories were drawn down and as demand was dampened by recession.

1, 2 In addition to initiating the export promotion program, Economics Minister Martinez de Hoz launched a worldwide effort to obtain foreign loans. In personal approaches to banks and international financial institutions in the US, Canada, Western Europe, and Japan he succeeded in lining up nearly \$1 billion in four- to five-year loans. Together with \$300 million from the International Monetary Fund, these loans enabled Argentina to meet debt obligations and to improve the debt maturity profile.

1, 2 By the end of 1976, debt payment coverage was assured. Moreover the trade balance had swung from a \$500 million deficit in 1975 to a \$1.2 billion surplus. The current account balance totaled \$600 million, compared with a \$1.3 billion deficit the year before. International reserves had trebled. Gains on the domestic front promised further improvement in the general economic climate and the restoration of foreign confidence in Argentina's financial soundness:

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- GDP, although down 2.9 percent for 1976 as a whole, was rising in the last quarter.
- The inflation rate was down from more than 400 percent (annual basis) in the first half 1976 to about 100 percent in the second half.
- The national budget deficit, which equaled 13.5 percent of GDP in the first half of 1976, was down to about half that level in the second half; for the year as a whole, 41 percent of expenditures were covered by revenues, compared with only 23 percent in 1975.

1977--Maintaining the Pace

1, 2 The foreign financial situation has remained highly favorable so far. Exceptionally large grain shipments boosted exports to \$1.8 billion in the first four months, double the level of imports. More than 85 percent of imports consisted of industrial inputs and capital goods, signaling an upturn in industrial output. To encourage this trend, the government has removed practically all restrictions on imports. If production picks up, imports should be considerably larger in the remainder of the year; exports will decline until the next harvest begins in November. The government's economic team projects the year's exports at \$4.3 billion to \$4.5 billion, the trade surplus at close to \$1 billion, and the current account surplus at \$200 million.

1, 2 The junta is continuing its program of incentives for agriculture and expects another large grain harvest in 1977-78. It is also counting on realistic exchange policies to boost exports of manufactured goods.

1, 2 Debt payments due in 1977 are close to the 1976 level of \$1 billion and will require additional borrowing to cover. Although an improved credit rating will make loans easier to obtain, new borrowing is expected to total less than one third the 1976 level because of record foreign reserves. Argentina almost certainly will choose to reduce its external debt rather than accumulate additional reserves.

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Farther Down the Road

1,2 Longer range prospects for the Argentine economy are clouded by political uncertainties. If the present economic team remains in power and adheres to current policies, the economic recovery is likely to accelerate and the foreign financial situation should continue improving. In light of past Argentine experience, however, it cannot be assumed that this will happen.

1,2 The well-organized and traditionally influential labor sector has been a major factor forcing previous military governments to abandon promising economic reform programs. Much of the burden of the present economic readjustment has fallen on the working class, whose purchasing power--as the regime concedes--may have dropped by one third in the past year. Labor organizations have lost most of their political influence and lack a central rallying point since Juan Peron's death. If public opinion turns against the junta, however, labor elements could probably exert enough pressure to force the government to ease restrictions on wages and union activities. Continuation of the present economic program would then be impossible. If changes were made that favored urban labor at the expense of agriculture, the problems that characterized much of the last three decades would reappear.

1,2 Another possible development would be the ascendancy of a more hard-line group within the military that would replace the present gradualist, free enterprise approach with stricter controls. Although this policy might bring down inflation more rapidly, it could stifle the reviving manufacturing sector and cause extensive unemployment. Any change from the present government would probably have a generally destabilizing effect.

1,2 Foreign investors are wary because of past experience with Buenos Aires' vacillating economic policies and are waiting for more solid evidence of political stability before investing heavily. They are favorably impressed, however, with the junta's liberalization of foreign investment laws and with its efforts to settle outstanding disputes with several foreign firms. Increasing numbers of businessmen are visiting Argentina to study investment opportunities. Some foreign firms--especially oil companies--are increasing their exposure.

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1.2 The financial gap should decline moderately over the next few years, as annual debt payments diminish with better debt scheduling. The current account surplus may not increase substantially, since rising imports will probably limit trade surpluses. Agricultural exports--in which Argentina has a comparative advantage--should remain large; exports of manufacturers, especially autos and other transport equipment, probably will increase. Covering even a sizable financial gap should present no problem.

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Latin America: Nuclear Energy Facilities and Programs

Several Latin American countries have nuclear programs, but only Argentina, Brazil, and Mexico have nuclear power together with fuel cycle facilities under construction or planned. Chile, Venezuela, and Cuba have modest nuclear research programs focused on developing nuclear power in the near future. Colombia, Peru, Ecuador, Uruguay, Bolivia, and Paraguay are just beginning to develop nuclear research programs and are looking for outside assistance.

Argentina has the most advanced and comprehensive nuclear energy program of any Latin American country and is seeking to become self-sufficient in nuclear energy. Because it possesses relatively abundant reserves of uranium, Argentina is basing its power program on natural uranium-fueled reactors. One such power reactor is in operation, another is under construction, and negotiations are under way for a third; if completed on schedule, these three plants will give Argentina 1,600 megawatts of nuclear electric generating capacity in 1985. The Argentines plan to construct or are already building facilities for chemical reprocessing, fuel fabrication, and heavy water production.

Most other Latin American nations consider Argentina not only the regional leader in nuclear development but also a possible supplier of nuclear equipment, materials, and technology. Four Latin American countries already receive nuclear assistance from Argentina. The Argentines are supplying research reactors to Peru, designing a pilot chemical reprocessing plant for Mexico, training Chilean personnel, and constructing a uranium ore treatment plant in Bolivia. Ecuador, Uruguay, and Paraguay are seeking nuclear assistance from Argentina.

Brazil's nuclear program is less advanced but more ambitious than Argentina's. Westinghouse is constructing a nuclear power reactor in Brazil that is scheduled for completion next year. The Brazilian nuclear program

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is based on a nuclear assistance agreement with West Germany that provides for eight power reactors as well as facilities for uranium isotope separation, fuel fabrication, and chemical reprocessing.

If the agreement is fully implemented and if an adequate uranium supply can be developed, Brazil will have a complete nuclear fuel cycle and will be self-sufficient in nuclear energy. Brazil, however, will be almost totally dependent on imported technology for its nuclear program, and proven uranium reserves are inadequate to meet projected needs.

Mexico's nuclear power program, like Brazil's, is heavily dependent on foreign assistance. The program is less developed than the Argentine and Brazilian programs, and Mexican officials are disappointed with it. Construction of two US-supplied power reactors, which began in 1972, has been delayed, and the completion date for the project has slipped to 1982, some five years behind schedule.

Mexican scientists are now independently designing nuclear fuel cycle facilities including uranium processing, fuel fabrication, chemical reprocessing, and plutonium fabrication. Mexico has substantial uranium deposits and is operating a pilot ore concentration plant.

Chile has a small nuclear program consisting of two operating research reactors that mainly produce radioisotopes. The government is examining nuclear power as an alternative to fossil-fueled power plants and is considering the purchase of the smallest size nuclear power reactor available commercially.

Venezuela, Cuba, and Colombia have research reactors and rudimentary nuclear research programs devoted mainly to production and application of radioisotopes and to training. Cuba is the only one of this group and the only Caribbean nation with specific plans for nuclear power; the Cuban program includes planned construction of two Soviet-supplied power reactors.

Uruguay, Peru, Bolivia, Paraguay, and Ecuador are just beginning nuclear research. All have uranium deposits and are receiving or plan to obtain nuclear assistance from Argentina.

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Latin America is the only continental region that has a nuclear-free-zone treaty. The treaty forbids development, manufacture, or stockpiling of nuclear weapons, but does not preclude the development of peaceful nuclear explosives. The treaty is not now in effect in Argentina, Brazil, Chile, or Cuba, and it is unlikely that this situation will change in the foreseeable future.

Argentina, Brazil, and Chile have not signed or ratified the Nuclear Non-Proliferation Treaty, nor have Cuba, Guyana, and Belize. Of these countries, only Argentina and Brazil are potential developers of nuclear explosive devices in the foreseeable future.

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CUBAN CHRONOLOGY FOR JUNE 1977

- June 1 Cuban Foreign Minister Isidoro Malmierca
departs for Nigeria and other African
nations.
- Al-Ahram* carries article critical of Pres-
ident Qadhafi and alleges Libyan financing
of Cuban mercenaries in Angola and Ethi-
opia.
- Cuban Communist Party workers from Santi-
ago de Cuba visit Leningrad. Meet with
Soviet Politburo member G. V. Romanov,
head of the Leningrad party organization.
- 2 US Congressman Dellums returns from week-
end with Fidel Castro; states that "Cuba
plans to send 311 doctors to Ethiopia."
Dellums relays message from Castro to
President Carter.
- Team of Cuban sugar experts conclude 10-
day visit to Guyana.
- Cuba-Finland mixed commission talks open
in Havana.
- Havana International Service reports Ethi-
opia's denial of the presence of Cuban
military personnel.
- Pedro Luis Torres, Cuban ambassador to
Czechoslovakia, meets with Deputy Premier
Vaclav Hula for economic talks in Prague.
Trade to increase.

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- June 3 The governments of Cuba and the US announce agreement on the opening of special interest section in each other's capitals.
- Fidel Castro announces forthcoming release of 10 Americans jailed in Cuba on drug charges. No mention of other Americans jailed there.
- 5 Delegation of League of Communists of Yugoslavia arrives in Havana.
- Cuban Foreign Minister Isidoro Malmierca arrives in Nigeria.
- Mozambique and Cuba sign cooperation agreement for Cuban technicians to work in Mozambique and Mozambicans to work in Cuba on health, public works, transportation, fishing, and agriculture.
- 6 Fidel Castro sends "message of solidarity" to Angolan President Neto (after coup attempt in Luanda).
- Ethiopian Ministry of Education announces grant of five scholarships by Cuban government to Ethiopian youths.
- 7 Paris AFP reports the arrival of 1,800 Cuban troops in Cabinda. (FLEC communique)
- Cuban Communist Party delegation arrives in Pyongyang, North Korea.
- 8 Nigerian-Cuban communique issued in Lagos following visit of Foreign Minister Malmierca. Supports African Peoples' liberation struggles.
- Carlos Rafael Rodriguez meets in Havana with Puerto Rican socialist party delegation headed by Secretary General Juan Mari Bras.

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- June 8 Fidel Castro chairs closing session of Constituent Congress of National Union of Cuban Journalists.
- 9 Cuban Foreign Minister Malmierca and delegates are feted by Benin government. Malmierca meets with Minister of Foreign Affairs Michael Alladaye and other ministry officials.
- Fidel Castro interviewed on American television. Puts numbers of political prisoners in Cuba at "near 3,000."
- Fidel Castro receives Puerto Rican Socialist Party delegation.
- Carlos Rafael Rodriguez meets with Mexican Secretariat official Rodolfo Echeverria in Havana.
- Raul Castro in Angola. Delivers supportive message to Neto from Castro.
- 10 In Benin, Foreign Minister Malmierca says "there is a reciprocal desire between Benin and Cuba to expand their cooperation."
- PCC Politburo member Arnaldo Milian Castro appointed member of Secretariat.
- PCC Central Committee holds 4th plenum. Fidel Castro presides. Central Committee approves Castro's report on national and international events.
- Cuba appoints Manuel Agramonte Sanchez ambassador to Angola.
- Armando Hart meets with Jamaican Culture Minister Arnold Bertram in Havana.
- June 13 Cuban Foreign Minister Malmierca visits Guinea. Meets with President Sekou-Toure.

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- June 13 Cuba releases 10 US citizens arrested in Cuba on drug charges.
- Day of Solidarity with peoples of Angola and Mozambique observed in Cuba.
- 14 Panamanian Peoples' Party delegation arrives in Cuba.
- 16 Carlos Rafael Rodriguez meets US Communist Party delegation visiting Cuba.
- Graca Machel, minister of education and wife of President Machel of Mozambique, arrives in Cuba with educational delegation.
- 17 Fidel Castro attends reception for Graca Machel.
- 18 Fidel Castro and Raul Castro attend reception for delegates to ECLA-sponsored meeting held in Havana. Subject of meeting is integration of women into Latin American economic and social development.
- 19 Jamaican Prime Minister Manley visits Cuba on way home from Commonwealth Conference. Meets with Fidel Castro.
- 20 Radio Havana charges US human rights campaign is "hypocritical."
- Carlos Rafael Rodriguez departs Cuba for Council for Mutual Economic Assistance meeting in Warsaw, Poland.
- Cuban Deputy Foreign Minister Jose Raul Viera in Budapest, Hungary for discussions.
- 21 Cuba and Guinea sign communique at end of Foreign Minister Malmierca's visit.
- Pedro Miret, Politburo member, meets with delegation headed by Rashid Mustapha Tahir, member of executive committee of Polisario Front.

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- June 21 Fidel Castro receives Luis Corvalan, ex-
iled secretary general of Chilean Com-
munist Party.
- 22 Foreign Minister Malmierca in Zambia. De-
livers personal message from Castro to
President Kaunda. Reaffirms Cuban support
for front-line states and liberation for
South Africa.
- Granma* says US human rights situation is
"most embarrassing."
- 23 Fidel Castro meets with large group of
American businessmen. Castro reiterates
full lifting of embargo essential for
better relations.
- Acting Foreign Minister Rene Anillo Capote
meets with C. T. Sharland, Canadian In-
dustry and Commerce vice minister in Ha-
vana.
- 24 Cuba and Zambia sign communique on Mal-
mierca's visit. Solidarity with Zimbabwe/
SWAPO is stressed.
- 25 Cuban television broadcasts an uncut ver-
sion of the ABC/Barbara Walters interview
with Fidel Castro.
- 27 Fidel Castro meets with Polisario Front
delegation visiting Cuba.
- Raul Valdes Vivo, chief of Foreign Re-
lations Department of the Cuban Communist
Party, meets with Guyanese Foreign Minister
Frederick Wills in Georgetown. Valdes
also meets with Cheddi and Janet Jagan,
leaders of Guyana's opposition People's
Progressive Party.
- Foreign Minister Malmierca returns to
Cuba.

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June 27 Cuban planning ambassador to Cuba, Lamine Conde, is received by Foreign Minister Malmierca in Havana.

Cuban planning commission delegation arrives in Prague, Czechoslovakia, for discussions of further economic cooperation.

Cuba recognizes government of Djibouti.

28 New Guinean ambassador to Cuba, Lamine Conde, is received by Foreign Minister Malmierca in Havana.

30 Guyanese Prime Minister Burnham meets with Raul Valdes Vivo who delivers personal message from Fidel Castro.

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